

**MINUTES
MID-YEAR BUDGET REVIEW
LANCASTER COUNTY BOARD OF COMMISSIONERS
LINCOLN MUNICIPAL AIRPORT BOARD ROOM
THURSDAY, FEBRUARY 3, 2000
AFTERNOON SESSION**

Commissioners Present: Kathy Campbell, Chair
Larry Hudkins
Linda Steinman
Bernie Heier
Bob Workman

Others Present: Kerry Eagan, Chief Administrative Officer
Dave Kroeker, Budget & Fiscal Officer
Ann Taylor, County Clerk's Office

AGENDA ITEM

1 LEGISLATIVE ISSUES - Gordon Kissel, Legislative Consultant

Gordon Kissel, Legislative Consultant, gave a legislative update noting the following (Exhibit A):

- Senator Hudkins designated LB 1190, which changes the county agricultural society tax levy provisions, as her priority bill. This bill allows the county board to levy an additional three and five-tenths on taxable valuation for the purpose of acquiring property for a county fairgrounds or for the capital construction of and renovation, repair, improvement and maintenance of the county fairgrounds, over and above the operational tax levy authorized in Section 2-257 of the Nebraska Revised Statutes. Kissel will check on whether this additional levy would be included in the 15¢ rural levy.
- Senator Beutler designated LB 414, which provides for transition of the office of Clerk of the District Court to a State reimbursed position, as his priority bill.
- Senator Coordsen designated LB 1124 as his priority bill. This bill would base agricultural land values on capitalized cash rents, rather than the current system of comparable sales. Lengthy debate is anticipated.

Hudkins noted that the agricultural groups are not in agreement in terms of how to best establish values.

- Senator Thompson met with Governor Johanns and state department heads to discuss LB 652, which provides for a juvenile correctional facilities master plan. This bill would shift full responsibility for post-adjudicated boarding costs to the State. Kissel noted that Senator Thompson will retain an amendment that will permit placement in a county owned and operated program, at the discretion of the county. This language was requested by the Sarpy County Juvenile Court Judiciary.
- The Government Committee advanced LB 1365, which authorizes the issuance of building permits for farmstead residences. This bill, which was introduced on behalf of Lancaster County, is likely to be placed on the Consent Calendar.

Dave Kroeker, Budget & Fiscal Officer, reviewed the following (Exhibit B):

- *Inheritance Tax Bill, Comparison of Bills*
- *LB 1074, Allocation of County Property Tax Assistance Fund*
- *LB 985, Allocation of Inheritance Tax Replacement Fund*

Kroeker indicated that loss of inheritance tax revenue would be greatest under LB 985.

Kissel said the Revenue Committee is expected to advance legislation in this area. He recommended the County testify in opposition to both of the bills.

Larry Worrell, County Surveyor, appeared and noted concern regarding the impact of LB 1301, which changes sanitary and improvement district road repair and maintenance provisions; LB 1320, which provides for highway fund distributions to sanitary and improvement districts; and LB 1183, which changes provisions relating to additions and platting for certain cities and villages.

Eagan reported on LB 1205, which changes the limitation of action provisions in the Political Subdivision Tort Claims Act, and LB 1394, which authorizes natural resources districts to exercise eminent domain for acquisition of county roads.

2 LANCASTER MANOR - Larry Van Hunnik, Lancaster Manor Administrator

Larry Van Hunnik, Lancaster Manor Administrator, reviewed the following documents (Exhibit C):

- *State of Nebraska Health and Human Services System Rate Notification*
- *Weighted Patient Days 1999 Adjustment Amounts, 1/1/99 - 6/30/99*
- *Weighted Patient Days 1998 Adjustment Amounts, 7/1/98 - 12/31/98*
- A census and rate summary

- A summary of staffing issues
- A letter to the Lancaster Manor Management Team apprising them of the facility's financial situation

Van Hunnik said \$356,733.32 in Medicaid rate adjustments, based on a previous year's adjustments, is anticipated by the first of March. An additional \$339,370 in revenue is anticipated, based on an average census of 263.

Van Hunnik said Lancaster Manor has experienced a decrease of 10 beds the first quarter, adding an increase in beds is typical for this period. He attributed this loss to the number of assisted-living facilities and alternative services currently available in the community. Van Hunnik said that while he expects current trends to reverse, he can not guarantee that property tax dollars will not be needed for the operation of Lancaster Manor.

Van Hunnik said he has reduced nursing staff by 32 full-time positions in response to the current budget shortfall. If the census trend continues, additional reductions will be made. He added that the tendency to use agencies to fill vacancies has also been reassessed.

In response to a question from Steinman, Van Hunnik said the State of Nebraska does not regulate staff/patient ratios. He noted, however, that Lancaster Manor is considered understaffed in terms of national levels. Van Hunnik added that the level of care has also increased significantly.

Van Hunnik said most of Lancaster Manor's placements come directly from home or from assisted-living facilities, which do not accept Medicaid patients. The majority of Lancaster Manor's patients are on Medicaid, although there are 14 private pay patients that are not in a spend-down plan. He said these private pay patients pay \$10.00 above the Medicaid rate, per day. This higher rate is necessary in order to maintain the level of Medicaid reimbursements. Van Hunnik added that the facility is required to maintain an 85 percent Medicaid occupancy rate.

In response to a question from Workman, Van Hunnik explained it has been the County's policy to refrain from competition with the private market. He said he believed he had unofficial authorization from the Board to accept a limited number of private-pay patients.

Campbell said the County Board will need to reassess the private pay issue in response to the budget shortfall and possible need for property tax support. She added it may be more appropriate to send a letter to local physicians and attorneys advising them that Lancaster Manor has available beds for private pay patients that qualify, than initiating an advertising campaign.

The Board requested Van Hunnik to draft a private pay policy statement, for the Board's review.

3 WILDERNESS PARK

Campbell reported on a meeting held with representatives of Parks & Recreation and Kip Hulvershorn, consultant and author of the *Wilderness Park Subarea Plan, Integration of Wilderness Park Studies with Park Management Recommendations* to discuss future County involvement in the parks system.

Campbell proposed the following:

- Development of criteria for transfer of park land from one political subdivision to another
- Creation of a "Park Bank", for the pooling of funds to purchase conservation easements and property in advance of need for park land and management of future park land acquisition

The Board directed Eagan to work with Terry Genrich, Parks & Recreation Natural Resources Manager, and Glenn Johnson, Lower Platte South Natural Resources District General Manager, in drafting an interlocal agreement incorporating those ideas.

4 PLANNING COMMISSION

Brief discussion took place on LB 367, which provides representation on the Planning Commission for those residing within the City's three-mile zoning jurisdiction.

Campbell said Mayor Wesely strongly opposes this legislation and has indicated that he would like an audience with the County Board, should the Board elect to support the bill. She said she believes this is a local, rather than legislative issue and cautioned that the County Board could risk its ability to provide advise and consent on all Planning Commission appointments by supporting the legislation.

The Board declined support of the bill and requested inclusion of the long-standing practice of including a member with rural interests on the Planning Commission in the interlocal agreement with the City. Advance notification of vacancies on the Planning Commission and a review of the Building & Safety Department interlocal agreement to clarify enforcement within the City's three-mile zoning jurisdiction were also requested.

The Board also asked Eagan to follow up on whether the City Attorney has developed a junked car ordinance under the City's zoning code that will apply to Agriculture Residential (AGR) and Residential (R) zoned property in the three-mile zoning jurisdiction.

5 STRATEGIC PLANNING

The Board reviewed a list of *Goals for 1999 and Long-Range Strategic Planning* (Exhibit D), noting the following changes for 2000:

- Revise Goal No. 1 to read: *Continue to hold work sessions on rural land use issues*
- Eliminate Goals 2 , 4, 5, 6 and 13
- Revise Goal No. 3 to read: *Follow up on the recommendations of the LB 1085 Committee and work with the City on review of joint functions and other issues related to restructuring of government*
- Revise Goal No. 7 to read: *Continue to review the structure of the Management Team Meetings*
- Revise Goal No. 8 to read: *Continue discussion on the need for an Indigent Defense Coordinator*
- Revise Goal No. 12 to read: *Continue development of a long-term telecommunications strategy*
- Add *Review interlocal agreements*
- Add *Develop a long-range plan for fixed assets and infrastructure*
- Add *Work with the City of Lincoln and Lower Platter South Natural Resources District to develop a policy for the acquisition of park land to control flood plains and to establish criteria for ownership and transfer of such lands*

The Board also reviewed a list of *Annual Goals* (See Exhibit D), noting the following changes:

- Move *Development of a Geographic Information System map for the County's real estate* to the list of *Goals for 2000*
- Add *Develop a plan for County owned buildings and properties*
- Add *Tour County departments and agencies*
- Add *Meet with the County Engineer in April to review budget and traffic counts*

6 OTHER BUSINESS

a. Committee Assignments

The Board made the following changes to *Committee Assignments* (Exhibit E):

- Board of Corrections - Heier, Chair; Campbell, Vice-Chair
- Budget Monitoring Committee - Campbell, Steinman
- City-County Common - Workman, Chair
- Joint Budget Committee - Steinman, Chair; Campbell

The Board eliminated representation on the Government Access and Information Committee, Master Plan Steering Committee and Weed Control.

The Board also requested that a query as to whether County Board representation on the Air Pollution Advisory Committee is mandated be included in the request for a County Attorney Opinion that seeks clarification of the County Board's responsibilities in setting fines, permits and penalties and the role of the Air Pollution Advisory Committee.

A category of *Special Assignments* was created with the following representation:

- Greater Lincoln Workforce Investment Board - Heier
- Families First & Foremost Grant Program - Campbell, Steinman
- Resource Conservation & Development Program - Workman

The category of *Special Task Forces* was eliminated, as work on the City of Lincoln Fringe Committee and Wilderness Park Mediation Task Force is complete.

b. Joint Agency Tours

The Board will tour the Lincoln/Lancaster County Health Department, Information Services and the Lincoln Area Agency on Aging on March 28th, beginning at 9 a.m.

c. Grant Priorities

The Board received a summary of potential grants from Griffin Grant Writing (Exhibit F). Board members will review the document and establish priorities at a later date.

d. County Board Appointments to the Transportation Management Committee

The following names were proposed:

- Henry Wolfe
- Wayne Nielsen
- Pat Norris

Campbell and Hudkins will contact these individuals and ask if they would be willing to serve.

e. Public Building Commission Report

Campbell reported that the Mayor and City Councilman Jon Camp are continuing to push the idea of paid employee parking and have requested that the issue be raised with the bargaining units. The Public Building Commission referred the issue back to the Parking Committee and Georgia Glass, Personnel Director, for comment.

Campbell said the Mayor has requested utilization of the third floor in the County-City Building. She said access to this floor is estimated to cost \$250,000, with the cost of renovation estimated at 2.5 million dollars.

Campbell said a report on the Old Federal Building was received from the consultant. She said she urged the Public Building Commission to consider sustainability in future use of the building. Campbell added that Don Killeen, County Property Manager, was asked to prepare an analysis of all buildings and the cost of retention.

f. Nebraska Association of County Officials (NACO) Director

Hudkins reported on the search for a replacement for Jack Mills, Nebraska Association of County Officials (NACO) Executive Director, who is retiring at the end of the legislative session. He said the rural counties want the new director to serve as lobbyist, as Mills had. A Request for Qualifications (RFQ) is being developed for a regional or national search for a director.

Campbell said Mills clearly stood for the organization and had the legislative background to be an effective lobbyist. She suggested the NACO Board seek a director with similar skills and hire an office administrator to deal with day-to-day functions.

g. Application for Nursing Home License for Lancaster Manor

MOTION: Steinman moved and Hudkins seconded authorization of the application for nursing home license for Lancaster Manor. On call Steinman, Hudkins, Heier, Workman and Campbell voted aye. Motion carried.

6 ADJOURNMENT

By direction of the Chair, the meeting was adjourned.

Bruce Medcalf
Lancaster County Clerk